

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2374 - SB 2425

March 3, 2020

SUMMARY OF BILL: Amends the Prevention of Youth Access to Tobacco, Smoking Hemp, and Vapor Products Act by redefining hemp to allow for an increased concentration of tetrahydrocannabinol (THC), from 0.3 percent to 1.0 percent, on a dry weight basis, which may be possessed, distributed, manufactured, or sold in Tennessee.

Establishes that it is violation of the Consumer Protection Act of 1977 for any person to distribute, sell, or offer for sale in this state any product that intended for human ingestion that is derived from hemp as an ingredient, without appropriate laboratory testing and other standards required by the Commissioner of the Department of Agriculture (DOA). Requires that current sampling and analysis performed on hemp by the DOA be performed within 15 days of harvest. Exempts certain parts and derivatives of hemp from such standards. Authorizes the Commissioner of the Department of Environment and Conservation to promulgate rules to effectuate such provisions.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Based on information provided by the DOA, the Department will still prohibit THC concentrations within hemp from exceeding 0.3 percent, as federal rules currently prohibit anything in excess.
- Based on information provided by the DOA, enforcing the standards and completing additional testing requirements created by this legislation will have no significant impact upon the Department.
- There will be no significant increase in the number of violations under the Consumer Protection Act of 1977 as a result of this legislation.
- There will not be a sufficient decrease in the number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb